

# **NOAA Commerce Business Systems (CBS) Budget Execution User Guide**

## **Budget Execution Planning**

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## 4.0 Budget Execution Planning

Budget Execution is the performance phase of the overall budget process. It consists of carrying out NOAA programs within approved budget levels through the use of effective financial management procedures. Budget Execution is preceded by a planning stage prior to the enactment of appropriations and the start of the fiscal year. Congress must issue an enactment of appropriations or a continuing resolution by October 1 of each fiscal year.

Budget Operating Plans (BOPs) are used to manage appropriations and available funds at lower levels of detail than required by Federal statutes. These plans serve as the basis for financial control and the evaluation of programmatic resource utilization in the execution of the budget. BOPs are adjusted, as required, during the year. As part of the Budget Execution process, NOAA is responsible for maintaining accounting systems with internal/administrative controls that facilitate management of program funding.

### 4.1 Overview of Budget Execution Planning in the CFS

Formal Budget Execution procedures for a particular fiscal year begin at NOAA during the preceding July with the issuance of the Annual Call for allotments and allocations. The Budget Execution phase runs through the succeeding fiscal year ending on September 30<sup>th</sup> of the following calendar year for new obligations.

Allotments and allocations are issued in July to Assistant Administrators and Directors of major organizations for appropriated funds at the fourth level of the program code. These estimated allotments and allocations are usually issued prior to the enactment of appropriations. This is to allow for initial BOPs to be developed prior to the commencement of the fiscal year. This practice is also necessary to prevent Line Offices from planning and subsequently incurring obligations in excess of available resources. Once actual appropriations are known, initial BOPs are adjusted to reflect increases or decreases in resources actually made available by Congress.

The major steps in NOAA's Budget Execution process include:

- ◆ Preparatory planning in anticipation of appropriations
- ◆ Development of estimated allotments based on Congressional action
- ◆ Entering initial Budget Operating Plans
- ◆ Enactment of appropriations
- ◆ Apportionment of funds by the Office of Management of Budget
- ◆ Revision of allotments based on Congressionally passed appropriation
- ◆ Revision of Budget Operating Plans on the basis of actual appropriations and apportionment

- ◆ Ongoing budget execution activities such as monitoring of financial performance, budget operating plan modifications and transfers, reprogramming and monthly management reviews.
- Other types of budgetary resources include transfers from other funds, continuing resolutions, anticipated prior year recoveries, and anticipated reimbursables.

## 4.2 Transaction Processing

The following section describes the screens that are utilized as part of the budget execution. The screen reference guide in Section 9 provides descriptions of the fields on the screens listed below.

◆	<b>FM060</b>	Budgetary Resources Transaction Screen
◆	<b>FM061</b>	Program Authority Transaction Screen
◆	<b>FM062</b>	Apportionment Transaction Screen
◆	<b>FM063</b>	Allotment Transaction Screen
◆	<b>FM064</b>	Sub-Allotment Transaction Screen
◆	<b>FM065</b>	Internal Fund Ceiling
◆	<b>FM066</b>	Budget Operating Plan Transaction Screen

### 4.2.1 Congressional Appropriation/Budgetary Resources

The first level of funds control or the establishment of expenditure authority from a U.S. Treasury Fund in CFS is recording the budgetary resources in the Budgetary Resources Transaction Screen (**FM060**).

Budgetary resources are tracked by bureau, fund code, and fiscal year. An enacted appropriation, for example, is one type of budgetary resource. Once funds are appropriated, the U.S. Treasury issues a warrant which establishes the total amount of cash available in the U.S. Treasury Account for incurring expenditures. Budgetary Resources may be made available through Congressional budget authority, unobligated balances, transfers-in, spending authority from offsetting collections and recoveries of prior year obligations. (Prior year recoveries are net amounts temporarily or permanently not available at the time of budget execution planning in CBS.) Due to the reporting time constraints and hierarchical funds distribution of CBS, budgetary resources are recorded during execution planning, using the estimated amounts by fund. After receiving the Congressional appropriation, each fund is adjusted by the difference.

CBS provides flexibility in recording the budgetary resources by allowing an unlimited number of general ledger transaction codes. These transaction codes include a D/R (direct/reimbursable) flag that distinguishes the budgetary resources between enacted (direct) appropriations and reimbursable work. The D/R flag follows budgetary resources down through the various levels of funds control incorporated within CBS. This functionality provides a means for separating common general ledger account numbers, such as 4700 to track commitments and 48xx to track obligations, into transactions and amounts relating to an appropriation or to reimbursable work. Without this capability, an

agency or bureau might unintentionally over-obligate or over-expend an appropriation or reimbursable agreement.

The different types of budgetary resources are assigned a Transaction Code in the General Ledger Transaction Codes Maintenance Screen (**GL022**). Refer to the *Transaction Codes Assigned to Budgetary Resources* in the appendices for a list of valid General Ledger transaction codes that may be used on the Budgetary Resources Transaction Screen.

The **FM060** is used to record the appropriation authority given to an agency. The user chooses the type of budgetary resource in the detail portion (bottom) of the screen and enters the amount. Upon approval, the total for the field amount in the control record is recalculated to include the amount of resources being established.

**Budgetary Resources Transaction (FM060 VER.2.17.0.0)**

Transaction | Other | Budgetary Resources Lookup

**Budgetary Resources**

\*Bureau Code  GL End Date  Trans No   
\*Fund Code  \*Trans Amount  Notes   
Fiscal Year  TAS/TAFS  Begin Date  End Date

Line No	Description	Trans Code	Amount	Attributes	ACCS	Total To-Date
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
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				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	
				Attributes	ACCS	

Total Budgetary Resources

☐ Approval By  Date





#### 4.2.2 Program Authority

The Program Authority Transaction screen (**FM061**) is used to record the authority to expend funds for a specific program. This screen is also used as a basis for calculating the reprogramming threshold of 10 percent or \$500,000 established on the Reprogramming Threshold Maintenance Screen (**FM005**). The system only allows recording apportionments, allotments, and sub-allotments to program codes with program authority established on **FM061**. Allotments/Sub-allotments may not be made to programs below the program authority program levels. If the program authority is established at the line-item program level, sub-allotments may not be made at the bureau unique program level.

The screen is divided into two blocks. The control block at the top of the screen allows the user to enter the total program authority established for each program. The detail block at the bottom of the screen summarizes authority entries established to date by program. Once the user enters the amount of the program authority and approves the transaction, the total Program Authority Established field is recalculated to include the amount of authority entered.

**Program Authority Transaction (FM061 VER-2.17.0.0)**

**Program Authority Transaction**

\*Bureau Code  Name   
\*Fund Code  Title   
Fiscal Year  Appropriation Symbol   
\*Activity  \*Amount This Entry   
\*Subactivity  Total Budgetary Resources   
\*Budget Line Item  Total Program Authority - Established   
\*Bureau Unique  Total Apportioned (Category A, B & C)   
Transaction No   
\*D/R Flag ☐ \*Approval: ☐ N By  Date

Program Code	Name	D/R	Authority	Categ B Apport
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

#### 4.2.3 Apportionment

Apportionment represents the second level of funds control within CFS. Although there are budgetary resources available, NOAA cannot begin obligating these funds until an administrative approval is obtained. Public Law 97-258, September 1983, provides for financial apportionments and reapportionments to be made by the Director of the Office of Management and Budget. The law provides that all appropriations of funds available for obligation shall be apportioned to prevent obligation or expenditure in a manner which might result in deficiency or a request for supplemental appropriations for such period, and that they shall be apportioned to achieve the most effective and economical use. Exceeding an apportionment is a violation of law. To obtain this waiver NOAA must submit an Apportionment Request to OMB. This request is made by submitting a Standard Form 132 - Apportionment and Reapportionment Schedule for each appropriation.

An apportionment is a distribution of amounts available for obligation in an appropriation or fund account into amounts available for specified time periods, programs, activities, projects, objects, or combinations thereof. These apportioned amounts limit the obligations that any agency or bureau may incur. In the case of a Congressional Appropriation, Congress grants to an agency specific program authority and provides the required funds (budgetary resources) to the agency. This is called a Direct Appropriation. The apportionment schedules must be submitted within ten (10) calendar days after approval of the Appropriation Act through the Department of Commerce to OMB, together with any supplemental data, as needed. If amounts that actually become available are less than anticipated, the difference will be deducted from amounts apportioned and not from amounts deferred or otherwise not apportioned. Other circumstances can require the submission of reapportionment requests during the fiscal year. It is the responsibility of the Budget Officer and the Assistant Administrators (or designees) to initiate the timely submission of these requests for funds under their control. However, programs shall be efficiently managed so as to make reapportionment requests unnecessary during the normal fiscal year.

Once OMB approves the request, the agency can distribute the available funds for spending within the agency. It is against this apportionment that an agency distributes funds internally via allotments, sub-allotments and allocations. Obligational apportionments to NOAA limit the funds available by quarter and annually in total and are binding upon the agency. In cases where funds are apportioned in Categories A and B those individual amounts are also uniquely binding upon NOAA and the appropriate Assistant Administrator or designee. If the account is subject to estimated budgetary resources, the system of administrative control should be designed to keep obligations and expenditures from exceeding apportionments and allotments or from exceeding budgetary resources available or cash on hand, for obligation, whichever is smaller. In other instances budgetary resources can come from reimbursable work, recoveries of prior obligations, or prior year unobligated funds.



There are two types of apportionment authority granted by OMB: Category A and Category B. Category A apportionments are approved quarterly or annually. Category A apportionments must be recorded in the proper quarter in which the budgetary resources become available. The availability period starts with the beginning of the quarter in which the funds are apportioned. Unallotted or unused funds can be carried over to subsequent quarters. The availability period ends at the end of the fiscal year. There is no Congressional Program limitation for Category A apportionments.

Category B apportionments represent budgetary resources available for obligation for a specific Congressional program, possibly restricted by program code, project code, object class or time period within the fund code fiscal year.

Internal funds are not apportioned, since they are not external budgetary resources.

The Apportionment Transaction Screen (**FM062**) is used to enter Apportionments which make budgetary resources available to NOAA. The apportionment may not exceed the lesser of total budgetary resources or Program Authority. The screen consists of two separate pages for Category A and B apportionments.

#### 4.2.3.1 Category A

Category A Apportionments are entered on the first page of the Apportionment Transaction Screen (**FM062**). The user enters the amount of the apportionment and, upon approval, the Total Apportioned field is recalculated to include the amount of the apportionment entered.

#### 4.2.3.2 Category B

The Category B Apportionment is recorded on page 2 of the Apportionment Transaction Screen (**FM062**). Category B represents a distribution of amounts available for obligation for a specific time period, programs, projects, object class, user-defined field (UDF) or any combination of these elements. The Category B Apportionments are displayed in the detail block and summarize apportionment entries established to date by bureau, fund, fiscal year and any combination. Although the detail portion is a view only block, CBS allows the user to query for specific authority established.

**Apportionment Transaction (FM062 VER-2.17.0.0)** 1:2

**Apportionment Transaction**

\*Bureau Code **14** Name   
\*Fund Code  Title   
Fiscal Year  Appropriation Symbol   
Apport No  -  Transaction No   
\*D/R Flag  \*Approval:  By  Date

<b>Total Budgetary Resources</b>	<input type="text" value="100,010,000.00"/>	<b>Total Apportioned</b>	<input type="text" value="100,000,000.00"/>
<b>Total Program Authority</b>	<input type="text" value="100,000,000.00"/>	<b>Total Allotted</b>	<input type="text"/>

<u>Category A Apportionment</u>	<u>Trans Code</u>	<u>Prior Total to Date</u>	<u>This Transaction</u>
First Quarter	<input type="text"/>	<input type="text"/>	<input type="text" value="0.00"/>
Second Quarter	<input type="text"/>	<input type="text"/>	<input type="text" value="0.00"/>
Third Quarter	<input type="text"/>	<input type="text"/>	<input type="text" value="0.00"/>
Fourth Quarter	<input type="text"/>	<input type="text"/>	<input type="text" value="0.00"/>
Category B Apportionment	<input type="text"/>	<input type="text"/>	<input type="text"/>
Category C (Exempted)	<input type="text"/>	<input type="text"/>	<input type="text" value="0.00"/>

**Apportionment Transaction (FM062 VER-2.17.0.0)**

**Apportionment Transaction** 2:2

**Item** **D/R** **\*Category** **\*Effective Dates** **\*Amount** **\*Trans Code**

**\*Project Code** **\*Program Code** **\*Object Class** **\*UDF** **Prior Total:**

**Item Cat** **Project Code** **Program Code** **Object Class** **UDF** **Effect Dates** **Apportioned**  

1	B1	0000000	000	01 00 00 000	00 00 00 00	000000	10-05	09-06	12,500,000.00
2	B1	0000000	000	01 00 00 000	00 00 00 00	000000	01-06	09-06	12,500,000.00
3	B1	0000000	000	01 00 00 000	00 00 00 00	000000	04-06	09-06	12,500,000.00
4	B1	0000000	000	01 00 00 000	00 00 00 00	000000	07-06	09-06	12,500,000.00
5	B1	0000000	000	02 00 00 000	00 00 00 00	000000	10-05	09-06	12,500,000.00
6	B1	0000000	000	02 00 00 000	00 00 00 00	000000	01-06	09-06	12,500,000.00
7	B1	0000000	000	02 00 00 000	00 00 00 00	000000	04-06	09-06	12,500,000.00
8	B1	0000000	000	02 00 00 000	00 00 00 00	000000	07-06	09-06	12,500,000.00

#### 4.2.4 Allotment

Allotments represent the third level of funds control within CFS. Allotments are authorizations made available for a Line Office/Program Office/Staff Office to obligate funds. Allotments are made by NOAA's Budget Office to organizations within the bureau and are entered through the Allotment Transaction Screen (**FM063**). If allotments are modified the original advice should be referenced.

Once funds are apportioned to NOAA overall control of funds becomes the responsibility of the Administrator. In practice this responsibility is delegated to the Budget Officer. The Budget Officer further delegates the authority through the allotment process to the Assistant Administrators and directors of other major NOAA organizations.

The Budget Officer will allot to the Administrators the funds available by quarter for each NOAA appropriation and fund by name and title. Such allotments are to be consistent with NOAA's OMB approved apportionments. The allotment delegates to the Line Offices the authority to incur obligations up to stated quarterly amounts. Allotments cannot exceed available apportionments. For example, total allotments in the first quarter cannot exceed first quarter apportionments. However, unallotted apportionments remaining at the end of the first quarter may be allotted in a later quarter.

Allotments cannot exceed available Apportionments or program authority. Category A apportionment amounts limit allotments issued by quarter.

For each allotment the Category A or B apportionment pool from which the allotment is made is also referenced. Allotments are recorded for a specific time frame and are typically issued to an organizational unit within a bureau or agency. In addition, an allotment may also be restricted by project, object class, or user-defined code within an organizational unit.

[illegible]

The sub-allotment represents the fourth level of funds control within CFS. Once an allotment has been made to an organization that organization may further delegate authority to incur obligations to a lower level within their organization through the sub-allotment process.

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1-12

funds available in the Allotment available for the commitment/obligation general ledger account. The decision to record sub-allotments must be determined for each fund.

**Sub-Allotment Transaction (FM064 VER-2.11.0.0)**

\*Bureau Code  Name   
 \*Fund Code  Title   
 Fiscal Year  Appropriation Symbol   
 Advice No  \*D/R Flag  \*Category  \*Item  Notes <  >  
 \*Program  Descr   
 Org Code  Title   
 Project Code  Title   
 Object Class  Title   
 \*UDF  Allotment Balance Available   
 Trans: \*Amt  No   
 \*Approval:  By  Date

*Effective	*Organization Code	*Project Code	*Object Class	*UDF	*D
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent <input type="text"/>			Amt <input type="text"/>		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total <input type="text"/>			Percent <input type="text"/> Amt <input type="text"/>		

#### 4.2.6 Internal Fund Ceiling

The Internal Fund Ceiling Transaction Screen (**FM065**) is used to establish the ceiling for all internally managed funds. Allocations are limited to the amounts established on the Program Authority Transaction Screen (**FM061**). Establishing internal fund ceilings are equivalent to the allotment process for non-internal funds. This fund is used to centrally accumulate, manage and distribute overhead costs. It is established on the basis of estimated costs and represents the cost of overhead support to all operational direct and reimbursable programs. Refer to Section 5 - Cost Accumulation and Overheads for more detailed information.

**Establish Internal Fund Ceiling Transaction (FM065 VER-2.17.0.0)**

**Establish Internal Fund Ceiling Transaction**

\*Bureau Code  Name   
 \*Fund Code  Title   
 Fiscal Year  Appropriation Symbol   
 Advice No  Trans: \*Amt  No   
 \*Surcharge Code  \*Approval:  N By  Date

*Effective	*D	Percent	Amount	*Account Classification
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total			<input type="text"/>	

#### 4.2.7 Budget Operating Plan

Budget Operating Plans represent the lowest level of budget planning within CFS and provide detailed schedules of the timing and purpose of planned obligations for the specific organizations. As such these plans facilitate review of funds status throughout the fiscal year during budget execution. For more detailed explanation of the Budget Operating Plan screen and procedures, refer to Section 6 - Budget Operating Plans.

**Budget Operating Plan Transaction Screen (FM066 VER-2.19.0.10)**

Budget Control | Budget Detail | Summary By Details | Summary By Objects

\*Bureau Code **14** Name **NOAA** Trans No **25362**  
 \*Fund Code **96** Title **TEST DIRECT-BUDGET ENHANCEMENT** ☐ Internal  
 \*Fiscal Year **06** Appropriation Symbol **SHB1450** Report Notes

Plan  
☐ Change Code **NONE** No **1** - **0** ☐ Populate Detail  
 Template Code **NONE** \*Corresponding Orgs **00 00 0000 00 00 00 00**

D/R Flag **D** Category **B1** Reimb Agreement No

ACCs **0000000** **000** **53** **30** **00** **000** **06** **02** **0004** **01** **00** **00** **00** **016887** ☒ Surcharge Codes  
 \*Unit **FTE** \*Qty **12.00** \*Distribution **Monthly**

Trans Amount  

*Total	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
4,000.00	1,000.00	1,000.00	1,000.00	1,000.00

☐ Requester Approval By  Date   
☐ Document Approval **Approval Routing** **Apply Surcharge**

Surcharge Code  
**0600RR**  
**0602EC**  
**NOAREM**

**Budget Operating Plan Transaction Screen (FM066 VER-2.19.0.10)**

Budget Control | Budget Detail | Summary By Details | Summary By Objects

*Effective Date	*BM	*D	Percent	Amount	*Unit	*Qty	S Code	S Rate	*Object Class	Pool
01-OCT-2005	01	A	8.325	333.00	FTE	1.00			25 00 00 00	>
01-NOV-2005	02	A	8.325	333.00	FTE	1.00			25 00 00 00	>
01-DEC-2005	03	A	8.350	334.00	FTE	1.00			25 00 00 00	>
01-JAN-2006	04	A	8.325	333.00	FTE	1.00			25 00 00 00	>
<b>01-FEB-2006</b>	<b>05</b>	<b>A</b>	<b>8.325</b>	<b>333.00</b>	<b>FTE</b>	<b>1.00</b>			<b>25 00 00 00</b>	<b>&gt;</b>
01-MAR-2006	06	A	8.350	334.00	FTE	1.00			25 00 00 00	>
01-APR-2006	07	A	8.325	333.00	FTE	1.00			25 00 00 00	>
01-MAY-2006	08	A	8.325	333.00	FTE	1.00			25 00 00 00	>
Totals:			100.000	4,000.00		12.00				

**Apply Surcharge** **Delete Surcharge**

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Transaction:	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
Cumulative:	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00

Begin Date  End Date  Pool Balance   
 Object Descr **OTHER CONTRACTUAL SERVICES**

